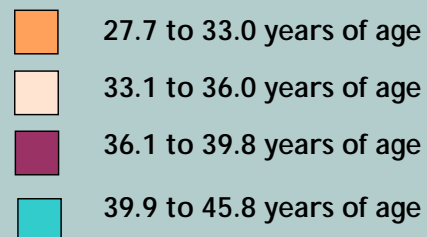
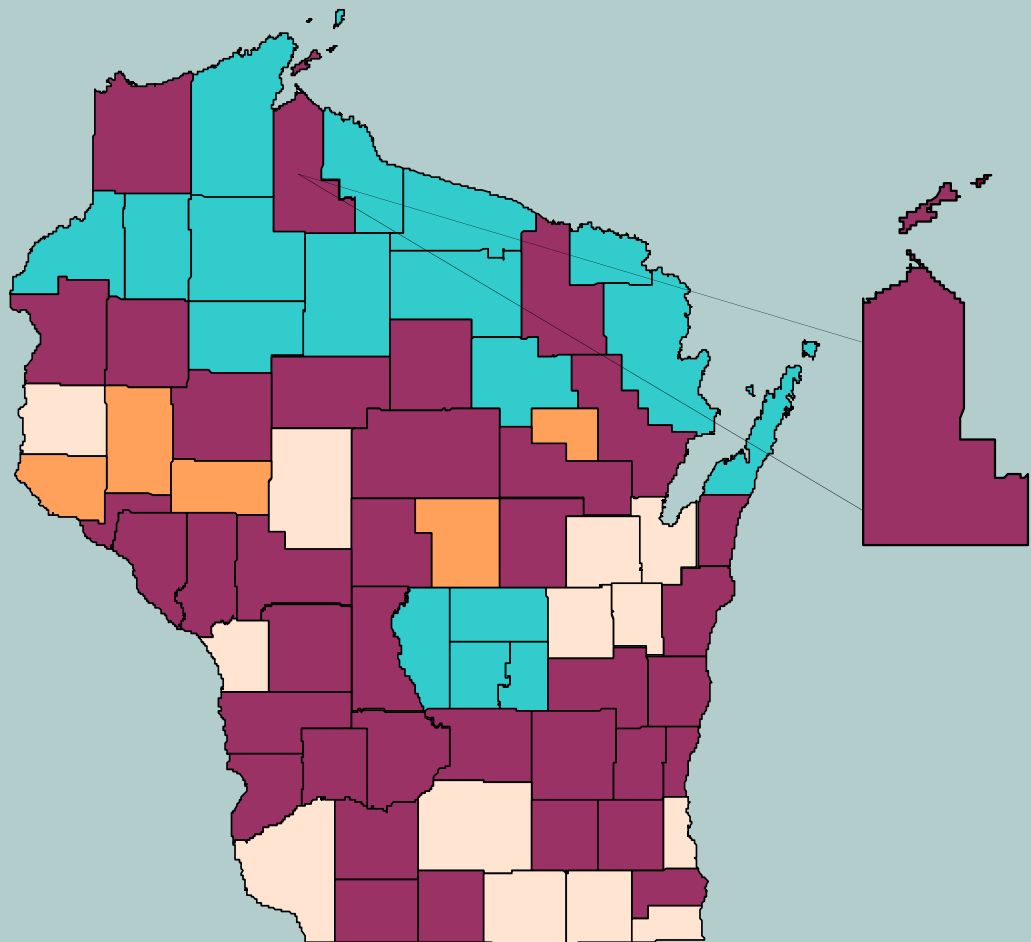


Ashland County Workforce Profile

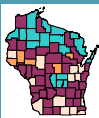
Median Age by County, 2000



Source: Census 2000 of the United States

Your complete
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state of the
labor force of
today and a
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the economy of
tomorrow.





County Population

From 1990 to 2000 the population in Ashland County increased from 16,307 to 16,866 according to Census 2000 information. That increase of 559 residents was the first substantial increase in population in the county since 1950 (an increase of 40 occurred between 1970 and 1980). So, an increase of just 0.2 percent from 2000 to 2001 is significant even though it is smaller than the growth experienced in either the state or nation because it signals the continuation of a turn-around in what was a negative trend for many years.

The increase in population was largely the result of a surge in new residents relocating to the area. Nearly 18 percent of the population over 5 years old lived in a different county in 1995. Of those new residents half moved from another state and half from somewhere else in Wisconsin. From 1990 to 2000, the county experienced a net increase from migration of 455 residents. That exceeded the increase from natural causes even though the number of births (2,107) out-numbered deaths (2,003).

The census also reveals that over half the increase in county population is attributed the addition of 288 American Indians. The American Indian population in 2000 of 1,745 was 10.3 percent of the

total county population, up from 8.9 percent in 1990. This increase is tied to the growth of jobs from gaming operations on the reservation that began in 1993. With the introduction of gaming the Bad River Band of Lake Superior Chippewa has become the largest employer in the county and population on the reservation increased to 1,411.

Some of that increase is apparent in the growth of the Town of Sanborn, the county's second largest municipality and includes Odanah, the center of the Bad River Indian Reservation. The City of Ashland, the county seat and largest municipality in the county with over 8,600 residents, lost population in the last decade and that continued into 2001. The Town of Gingles which borders the City of Ashland was the fastest growing community in the 1990s.

Many of the residents that moved to the county during the 1990s were older but not so old that they were ready to retire. The greatest increase in the population occurred in the 40-49 year old age group, followed by the second largest increase in the 50-59 year old age group. Some of the increase was from an aging population, but not all of it.

Increases in the age groups on the upper end of

(Continued on page 2)

Total Population

	2000 Census	January 1, 2001 Estimate	Percent change
United States	281,421,906	283,474,000	0.7%
Wisconsin	5,363,675	5,400,449	0.7%
Ashland County	16,866	16,901	0.2%

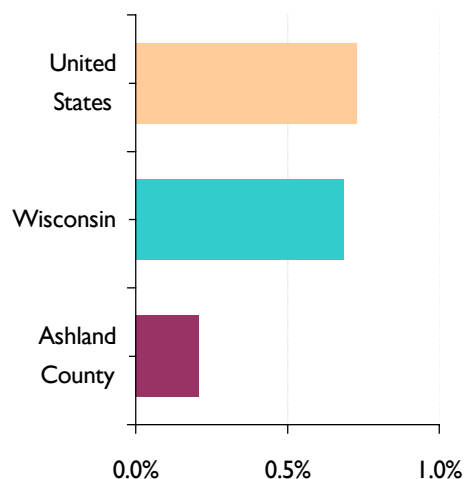
Ten Largest Municipalities

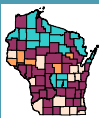
Ashland, City	8,620	8,606	-0.2%
Sanborn, Town	1,272	1,274	0.2%
White River, Town	892	905	1.5%
Mellen, City	845	847	0.2%
Jacobs, Town	835	836	0.1%
Gingles, Town	640	659	3.0%
Ashland, Town	603	603	0.0%
Morse, Town	515	516	0.2%
Agenda, Town	513	512	-0.2%
Chippewa, Town	433	431	-0.5%

* Ashland portion only

Source: Wisconsin Department of Administration, Demographic Services, 2002

Population Growth 2000-2001



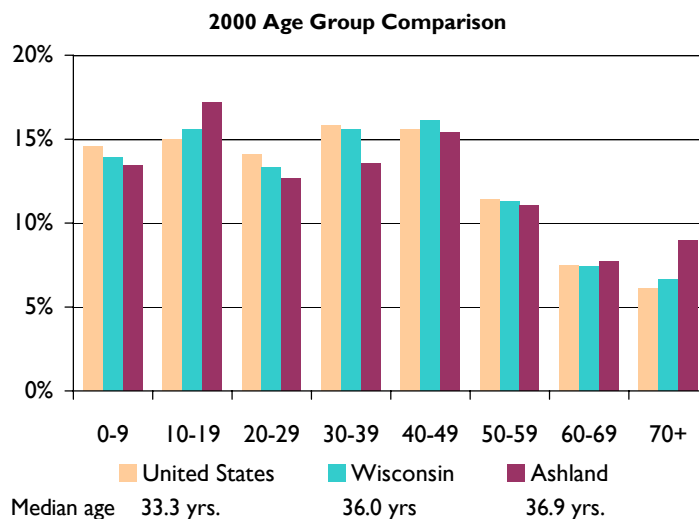


the spectrum had an impact on the median age in Ashland County which increased to 36.9 years in 2000 from 33.7 years in 1990. The median age in Ashland County is a bit higher than the state median age of 36.0 years and a few years higher than the national median of 33.3 years.

While the composition of county population is similar to the state in the younger age groups, both have 30-31 percent of the population under 20 years old, the difference is dramatic when compared with the nation where nearly 40 percent of the population is under 20.

The differences in population distribution begin to appear in the 20-29 year old group where the county share drops below both the state and nation and continues to be lower through age 59. Over the age of 60 the county has a much larger share of population than either the state or nation.

The consequences of this disparity on the current and future labor force cannot be overstated. While the labor force has already shown signs of diminished growth, the full impact of fewer younger people available for the labor supply and an increasing older population preparing to retire, will exacerbate the labor shortage. Compounding the problem of



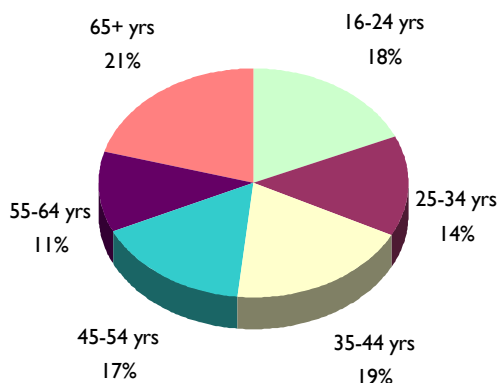
Source: US Department of Commerce, Census Bureau, *Census 2000*

fewer workers is an aging population requiring more services that historically have been supplied by a young workforce.

The US Bureau of Labor Statistics (BLS) includes only the population 16 years and older as a potential source of labor. The BLS also excludes the population residing in institutions, such as nursing homes and prisons, and military personnel as a source of labor.

County Civilian Labor Force

Ashland County Labor Force Age Groups



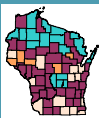
Source: US Dept. of Commerce, Census Bureau, *Census 2000*

The Ashland County population in 2000 that was 16 years and older totaled 13,109. This population comprises the potential labor force in the county even though 21 percent is 65 years and older. The population over 65 years old shares some common characteristics. To begin with, most of them are retired, even though a recent trend has retirees returning to the workforce to pursue new interests.

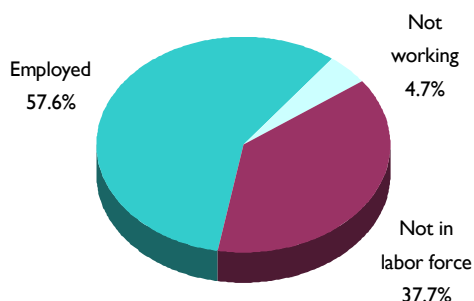
Other age groups also share characteristics. The 16-24 year olds are generally in school, work part-time and during summer breaks, and are starting their first jobs. This group is largely responsible for the increase in labor force during the summer months.

The next group, 25-34 year olds, are the workforce of the future, developing and honing skills, and

(Continued on page 3)

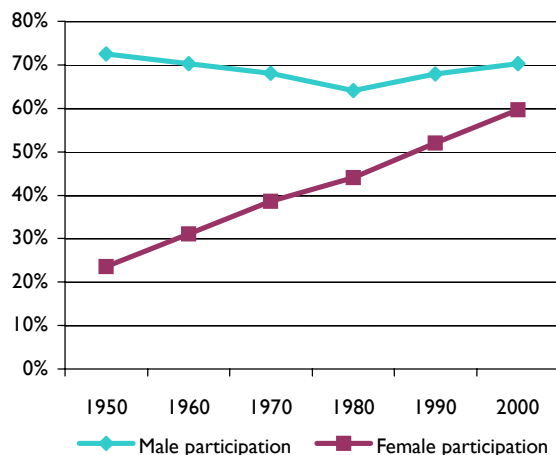


2001 Labor Force Participation



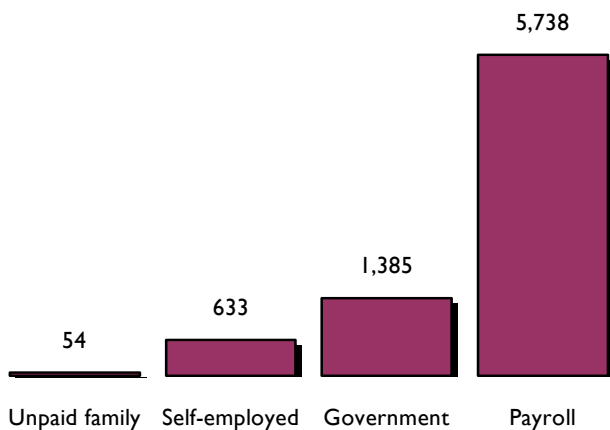
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, Census 2000

Type of Employment



Source: US Dept. of Commerce, Census Bureau, Census 2000

beginning new careers. Many are starting and raising families, acquiring property, and working in at least one job if not two. Many of these same characteristics are shared by the next group, 35-44 year olds. This group is also preparing to send children to college, adding or upgrading housing, and looking for ways to add to the family income. Labor force participation is often highest in this group.

By middle-age, workers begin to think about retirement, and during the 1990s, workers were retiring in their fifties. By 65 years old most of the population has retired.

Because each age group has different interests the number of individuals who are employed or at least look for work varies. Labor force participation rates by age groups from Census 2000 is scheduled for release in late 2002.

An estimate of labor force participation for 2001 in Ashland County included 57.6 percent of the labor force age population that worked, 4.7 percent of the population that was unemployed and 37.7 percent that choose not to work. Combining those that were employed with those that were unemployed produces a total labor force participation rate in 2001 of 62.3 percent.

Labor force participation peaked in the county in the mid-1990s and has been falling steadily since then. Participation is currently less than in either the state (73.5%) or nation (66.9%). One of the primary reasons for lower participation is the large share of population over 65 years old, but a secondary reason is the availability of jobs.

Labor force participation varies not only by the age of the population but also by sex. Over the last fifty years, participation in the labor force of females has been steadily increasing while participation of men has been declining. There are a number of factors that serve as explanations for these divergent trends, but the most comprehensive is the change in the county's industry mix away from goods-producing jobs towards service-producing jobs. Another factor is access to retirement income, especially for men who have been in the workforce longer and in more permanent positions, than women.

Labor force participants who work are engaged in several 'types of employment'. In Ashland County 73 percent of the employed population work for a private employer and receive a payroll check. Gov-

(Continued on page 4)



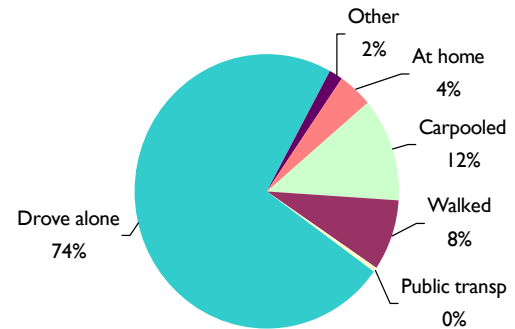
ernment workers also receive a payroll check, but comprise only 18 percent of total employment.

Nine percent of workers in Ashland County are either self-employed or work as an unpaid family member. The share of self-employed and unpaid family members is higher in Ashland County than in the state (6.4%), but has declined since 1990. Workers in these categories tend to stay in the labor force longer than workers in payroll jobs.

The number of self-employed and unpaid family members is a good reminder that total employment in the labor force includes more workers than just those employed in payroll jobs. It is one of the reasons that total employment in most counties is greater than the number of nonfarm wage and salary employment (see page 5). However, in Ashland County, total employment reached 7,400 in 2001, far fewer than the number of jobs.

An additional factor that effects the local labor force is the number of workers who commute out of, or in this case into the county for jobs. Information from Census 2000 on workers who commute into the county for work is not yet available. However, data from census does show that 14.6 percent

County Travel-to-Work Patterns



Source: US Dept. of Commerce, Census Bureau, Census 2000

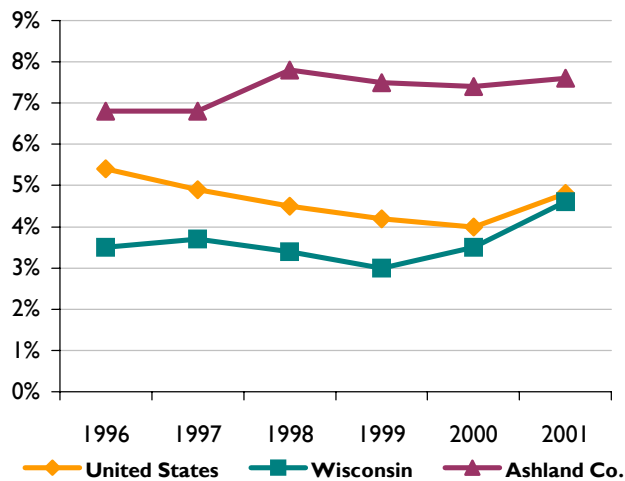
of the workers who live in Ashland County traveled to employers outside of the county. This places additional strain on local employers trying to find workers to fill job vacancies.

Over the last five years the number of employed in Ashland County declined by 300 from 7,700 in 1996. During that time a major employer in the county, James River, closed and several other firms reduced their workforce. This lead to an increase in unemployment and a higher unemployment rate.

The unemployment rate is, and has always been, much higher than the rate in either the nation or the state. Large fluctuations in seasonal jobs in construction and tourism which elevate the unemployment rate during the winter months, contribute to a higher annual average rate. And, because the labor force is relatively small, any change has a dramatic impact on the unemployment rate.

Most of the workers in Ashland County drive alone to a job, while 12 percent, about the same as in the state, were part of a car pool. With limited public transportation available in the county it is no surprise that few residents (38) use it. Even state-wide, however, only two percent of workers use public transportation.

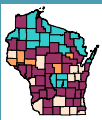
Unemployment Rate Comparison



Ashland County Civilian Labor Force Data

	1996	1997	1998	1999	2000	2001
Labor Force	8,200	8,300	8,000	7,700	7,800	8,000
Employed	7,700	7,700	7,400	7,100	7,300	7,400
Unemployed	560	570	630	570	580	610
Unemployment Rate	6.8%	6.8%	7.8%	7.5%	7.4%	7.6%

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002



County Industry Employment

Nonfarm Wage and Salary Employment

	1996	1997	1998	1999	2000	2001	Percent change	
							1 year	5 year
Total	8,307	8,609	8,448	8,491	8,770	8,815	0.5%	6.1%
Goods Producing	2,125	2,143	1,990	2,006	2,104	2,116	0.6%	-0.4%
Construction & Mining	314	329	346	391	398	336	-15.6%	6.8%
Manufacturing	1,810	1,814	1,643	1,615	1,706	1,780	4.3%	-1.7%
Durable	1,384	1,353	1,371	1,436	1,515	1,565	3.3%	13.1%
Nondurable	426	462	272	179	191	214	12.5%	-49.7%
Service Producing	6,182	6,466	6,458	6,485	6,666	6,699	0.5%	8.4%
Transportation, Communications & Utilities	310	295	272	262	259	265	2.3%	-14.7%
Total Trade	1,682	1,741	1,732	1,763	1,799	1,768	-1.7%	5.2%
Wholesale	188	192	158	157	179	173	-3.2%	-8.0%
Retail	1,493	1,549	1,575	1,605	1,620	1,595	-1.5%	6.8%
Finance, Insurance, and Real Estate	236	245	242	228	284	337	18.6%	43.0%
Services & Misc.	2,187	2,386	2,309	2,291	2,379	2,542	6.8%	16.2%
Total Government	1,768	1,799	1,902	1,941	1,945	1,787	-8.1%	1.1%

Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

Nonfarm wage and salary employment is an estimate of the number of jobs generated by employers who are located in Ashland County. All payroll jobs are counted and include occupations from managers to laborers, who work full- or part-time, in permanent, temporary, and seasonal positions, and are paid hourly, through commissions, or by piece-

work. Employment is classified using the Standard Industrial Classification (SIC) of the primary product of the employer.

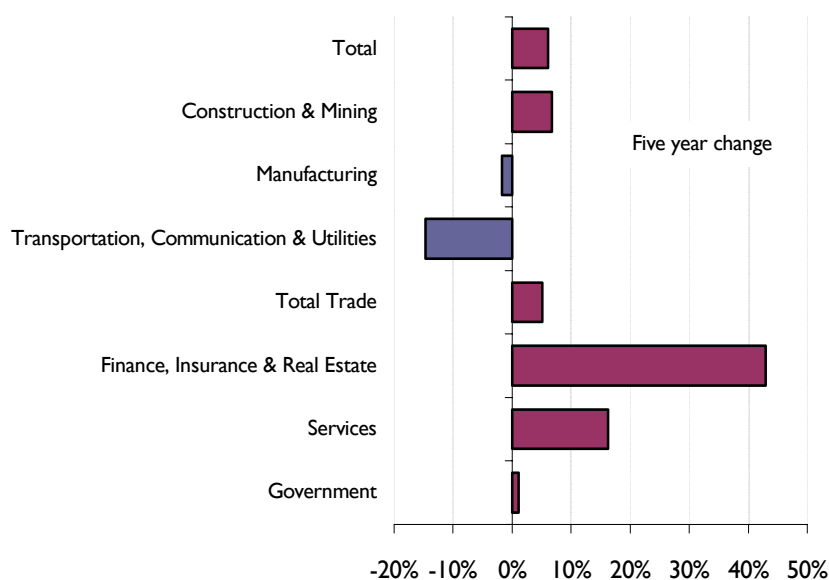
It becomes apparent when you look at this table that Ashland County employers rely on workers from outside the county to help fill jobs. There were 8,815 nonfarm wage and salary jobs in the county in 2001, a year when the total labor force (county residents) was only 8,000. Workers from adjacent counties, especially Bayfield, commute to work in those jobs and helped to fill some of the 500 jobs added since 1996.

Total nonfarm employment increased 6.1 percent from 1996 to 2001, slower than the increase statewide of 8.7 percent. Even though local jobs were added in the county in construction, trade, services, and government, the increase in these industries did not match the change statewide. Both the county and state lost jobs in manufacturing and transportation, communication and utilities.

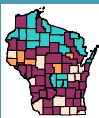
The largest percent increase in the county occurred in finance, insurance and real estate with the addition of roughly 100 jobs. These jobs are the product of an increase in branch offices and expansion.

(Continued on page 6)

Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002



Top 10 Employers

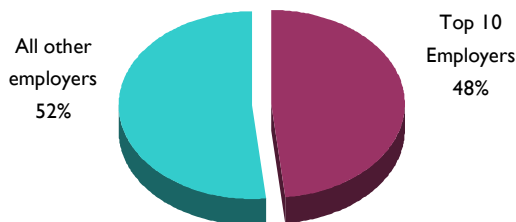
Company	Product or Service	Size
Bad River Band Lake Superior Chippewa	Membership services: gaming & administration	500-999
C G Bretting Mfg Co. Inc.	Industrial equipment: paper machines	250-499
Memorial Medical Center Inc.	Health care services: hospital	250-499
School District of Ashland	Education	250-499
Columbia Forest Products Inc.	Lumber & wood products: veneer	100-249
Wal-Mart Associates Inc.	General merchandise store	100-249
Northland College	Education	100-249
County of Ashland	Executive & general government	100-249
Birds Eye Veneer Co	Lumber & wood products: veneer	100-249
City of Ashland	Executive & general government	100-249

Top 10 Industry Groups

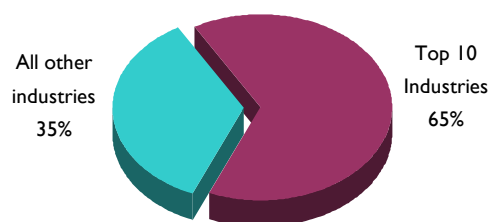
Industry Group	March 2001		Numeric change	
	Employers	Employees	1-year	5-year
Health Services	35	1,034	13	-81
Lumber and Wood Products	32	935	64	15
Educational Services	8	882	-16	53
Executive, Legislative, and General	20	760	489	498
Eating and Drinking Places	47	577	-44	140
Industrial Machinery and Equipment	*	*	*	*
Social Services	17	338	69	84
General Merchandise Stores	*	*	*	*
Automotive Dealers & Service Stations	18	220	26	50
Food Stores	12	187	11	-47

*data suppressed to maintain confidentiality

Top 10 Employers' Share of Nonfarm Employment



Top 10 Industry Group Share of Nonfarm Employment



Source: WI Department of Workforce Development, ES-202 file tape, December 2001

sion of existing businesses.

The second largest increase of 16.2 percent occurred in the services industry and is slightly less than the 19 percent increase experienced statewide. The largest group in the services industry division is healthcare and, in 2001, more workers were employed in health services than in any other industry group. Ashland has become a regional health center for the rural counties that border it, and one of the largest employers is the hospital.

The largest employer in the county, Bad River Band of Lake Superior Chippewa, moved into that position following the opening of the new casino and convention.

Just ten industry groups in the county provide nearly two out of every three jobs, and the four largest groups are represented on the list of largest employers. The list also includes four groups from retail trade, eating and drinking places, general mer-

(Continued on page 7)



chandise stores, auto dealers and service stations, and food stores. Retail trade employers are often small and are not included on lists of the largest employers, but together they provide many jobs for local workers.

Employers in the retail trade industry division provide 18 percent of the jobs in Ashland County, yet the payroll from employers in the division was only 11 percent of the total payroll from all employers of \$212,784,581. Workers in retail trade often work in part time and seasonal jobs so the annual

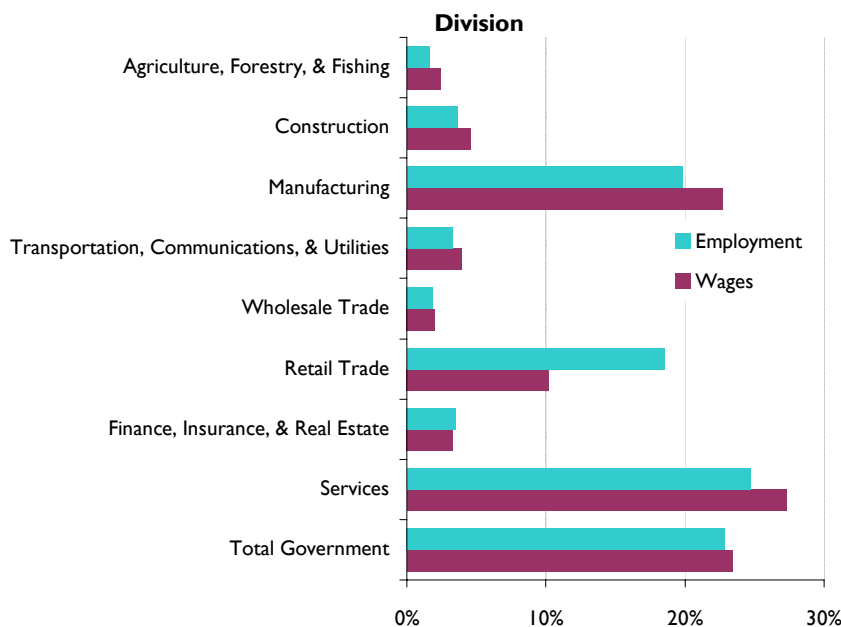
payroll is smaller. Many of the employers are also smaller and cannot offer higher hourly wages to workers.

The highest annual average wage was earned by the few workers in agriculture, forestry and fishing who are mostly professional foresters, landscapers, and business owners.

The average annual wage for workers in construction of \$30,729 were the second highest in the county but were only 79 percent of wages earned by similar workers in the state. Even though the wages were high less than four percent of the workforce received them. Construction wages declined from 2000 to 2001 as did annual wages in manufacturing, wholesale trade and government. The annual average wage in manufacturing was the third highest in the county but was only 70.6 percent of similar wages statewide. Lower hourly wages and seasonal lay offs keep production wages lower.

Government payroll was the third largest in the county, however, and was paid to the second largest share of workers. The largest share of employment and greatest payroll was with services industry employers. Wages in the services industry, driven by a statewide demand for workers, approach those for similar work statewide.

2001 Employment & Wage Distribution by Industry

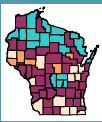


Annual Average Wage By Industry Division

	Ashland Co. Annual Average Wage	Wisconsin Annual Average Wage	Percent of State Average	1-year percent change	5-year percent change
All Industries*	\$ 24,555	\$ 30,922	79.4%	1.5%	15.4%
Agriculture, Forestry, & Fishing	\$ 35,939	\$ 22,565	159.3%	17.6%	167.0%
Construction	\$ 30,729	\$ 39,011	78.8%	-5.7%	5.5%
Manufacturing	\$ 28,070	\$ 39,739	70.6%	-2.3%	7.3%
Transportation, Communications, & Utilities	\$ 29,757	\$ 36,639	81.2%	2.8%	15.7%
Wholesale Trade	\$ 26,582	\$ 40,521	65.6%	-1.8%	14.1%
Retail Trade	\$ 13,555	\$ 14,596	92.9%	6.1%	25.8%
Finance, Insurance, & Real estate	\$ 22,706	\$ 40,933	55.5%	2.0%	9.5%
Services	\$ 27,134	\$ 28,775	94.3%	10.1%	31.1%
Total Government	\$ 25,186	\$ 33,785	74.5%	-7.2%	2.8%

* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*



Occupation and Education Characteristics of County Population

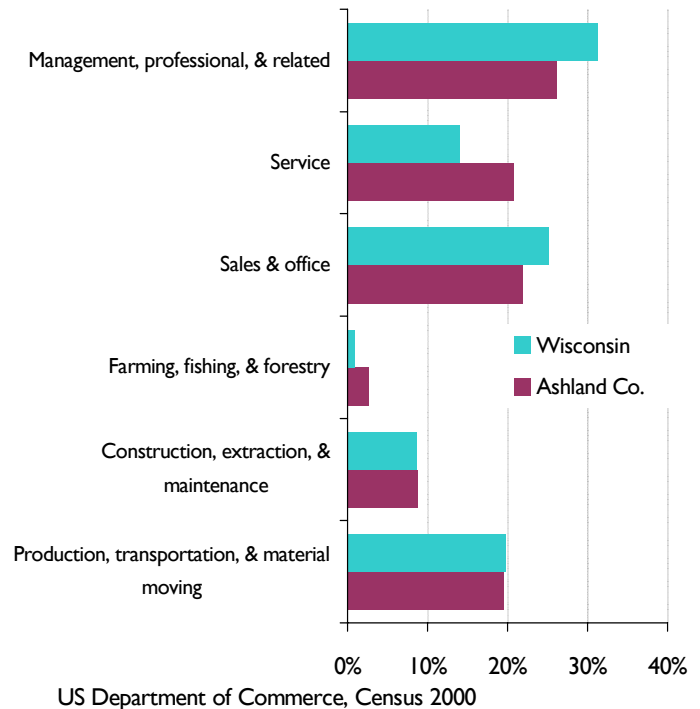
The previous pages explored jobs classified by industry, but jobs are also classified by occupation. Data on occupation employment is more difficult to access, especially at the county level, but the census offers a glimpse into the types of occupations in Ashland County. The distribution of occupations reflects the employment of all resident workers, including those that are self-employed.

The largest group in the county and the state is management, professional and related occupations. The mix of occupations in this group varies from state to state, and county to county, depending on the industry mix. In Ashland County, most of the jobs in this group are teachers and health care professionals. These jobs are primarily found with employers in the services industry division and local school districts and require education and training beyond high school. Nationally, 80 percent of jobs in this group require post-secondary education, while in Wisconsin, roughly 78 percent do.

In Ashland County 43 percent of the population 25 years old and over has some education beyond high school, but only 16 percent hold a college degree. Statewide, 22.5 percent of the same population group holds a college degree (Census 2000).

A larger share of the population has 1-3 years of post-secondary education that could include some college with no degree, an associate degree, or

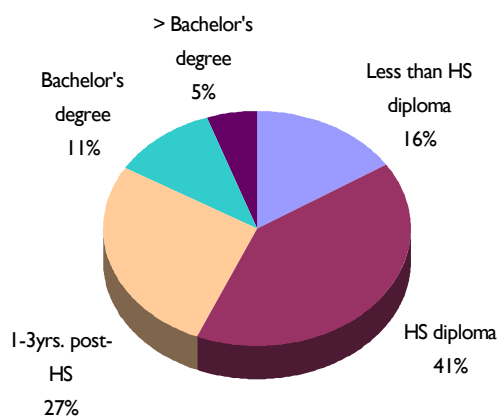
Employment by Occupation Group: 2000



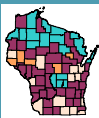
technical college training. Workers in this group find employment in all occupational groups including the sales and office occupational group, the second largest in the county. Occupations in this group include accounting, advertising, technical sales, and general office occupations. Employers now expect workers in these occupations to have some training beyond high school. The same is true of many of the production and maintenance occupations. Most of these occupations are employed by manufacturing employers, but maintenance workers, truck drivers and mechanics are found in all industry divisions.

The third largest group is service occupations. This group is much larger in the county than in the state and has the fewest occupations that require training beyond high school. Workers in service occupations comprise 21 percent of the workforce in Ashland County compared with 14 percent in the state. Service occupations include nurse aides, janitors, kitchen workers, waiters, and police and fire-fighters. Wages for many of these jobs are low and workers are often seasonally employed and work less than 40 hours per week.

Education Attainment in 2000



Source: US Dept. of Commerce, Census Bureau, Census 2000



County Income Information

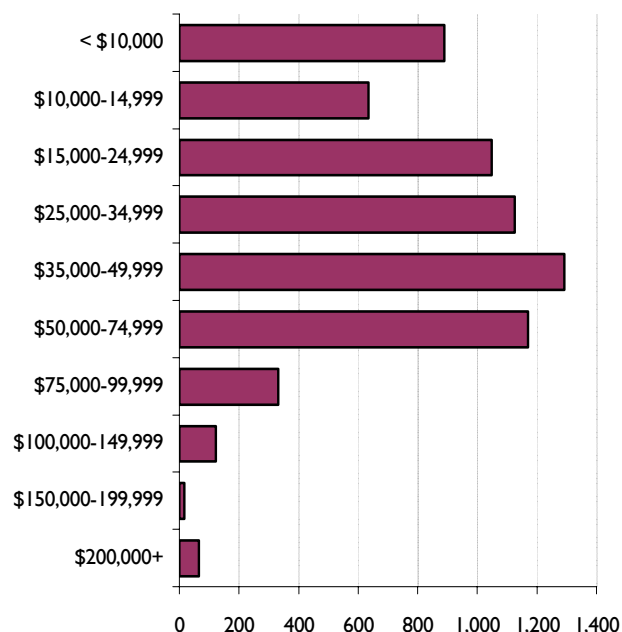
The median household income in 1999 (last full year of income data used for census) in Ashland County of \$31,628 was 72 percent of the state median income of \$43,791. Only a few households in the county had an annual income over \$75,000 while nearly 23 percent earned less than \$15,000. So many households with low income contribute to a poverty rate in the county of 11.9 percent that is much higher than the rate in the state of 8.7 percent.

Household income is higher than either per capita personal income or annual average wages because households generally include more than one person household (the average in Ashland County is 2.4 persons per household) and workers often hold more than one job. In addition to wages from all workers, household income includes earnings from self-employment, proprietorships, investments, assets, social security, retirement, Veteran's benefits, welfare, and unemployment benefits.

Per capita personal income (PCPI) is the total income in an area, \$362,421,000 in Ashland County, divided by the total population. PCPI in Ashland County in 2000 of \$21,512 was 77 percent of the PCPI in Wisconsin and 73 percent of the United States. In the last year it increased 6.1 percent, greater than both state and national gains.

Incomes are lower in Ashland County, not only because of lower wages but also because of a larger elderly population living on fixed incomes. Income

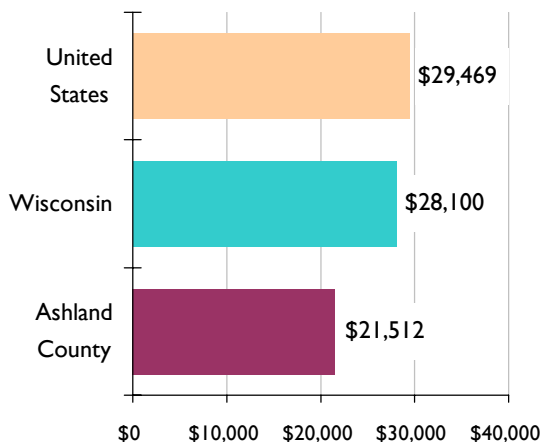
Households by Income Range
Median household income in Ashland Co. \$31,628



Source: US Dept. of Commerce, Census Bureau, Census 2000

from government retirement and medical payments comprises 81 percent of transfer payments and transfer payments in the county are a much greater share than in either the state or nation. The population living on fixed income will only increase in the next ten years.

Per Capita Personal Income 2000



Source: US Department of Commerce, Bureau of Economic Analysis

Components of Total Personal Income: 2000

